

## Message Text

UNCLASSIFIED

PAGE 01 STATE 073069

73

ORIGIN EUR-12

INFO OCT-01 ISO-00 EB-07 /020 R

DRAFTED BY EUR/NE: NACHILLES:DF

APPROVED BY EUR/NE: MR. BUELL

----- 060272

R 011845Z APR 75

FM SECSTATE WASHDC

TO AMCONSUL HAMILTON

UNCLAS STATE 073069

E.O. 11652: N/A

TAGS:BD:EFIN, ETRD

SUBJECT:TAX REDUCTION ACT OF 1975

REF: BUELL/MCCUE TELECON MAR 31

THE FOLLOWING EXCERPT IS FROM A SUMMARY OF THE BILL PROVIDED THE PRESS BY THE TREASURY DEPARTMENT. A FULL TEXT OF THE BILL IS BEING SENT SEPARATELY BY INTERNATIONAL MAIL.

"18. DEFERRAL - CHANGES IN SUBPART F (OF TAX CODE)

-- TERMINATES THE MINIMUM DISTRIBUTIONS EXCEPTION TO SUBPART F (SECTION 963)

-- TERMINATES THE EXCEPTION TO SUBPART F WHICH ALLOWS DEFERRAL WHERE TAX HAVEN INCOME IS REINVESTED IN A LESS DEVELOPED COUNTRY CORPORATION

-- REVISES THE PRESENT RULE PERMITTING DEFERRAL OF TAX ON FOREIGN TAX HAVEN INCOME WHERE LESS THAN 30 PERCENT OF SUCH INCOME IS TAX HAVEN INCOME TO TERMINATE SUCH DEFERRAL WHERE THE TAX HAVEN INCOME EXCEEDS 10 PERCENT OF INCOME

-- TERMINATES THE EXCEPTION TO SUBPART F FOR SHIPPING INCOME EXCEPT WHERE SUCH INCOME IS REINVESTED IN SHIPPING OPERATIONS

-- ALLOWS DEFERRAL OF INCOME ON SALES BY A FOREIGN SALES CORPORATION OF AGRICULTURAL PRODUCTS WHICH ARE NOT GROWN IN COMMERCIALLY MARKETABLE QUANTITIES IN THE U.S.

-- ALL OF THE FOREGOING CHANGES ARE EFFECTIVE IN TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 1975. KISSINGER

UNCLASSIFIED

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** TAX RELIEF  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 01 APR 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Authority:** n/a  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01 JAN 1960  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1975STATE073069  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** NACHILLES:DF  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D750113-0420  
**From:** STATE  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1975/newtext/t19750493/aaaadgkr.tel  
**Line Count:** 51  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ORIGIN EUR  
**Original Classification:** UNCLASSIFIED  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 1  
**Previous Channel Indicators:** n/a  
**Previous Classification:** n/a  
**Previous Handling Restrictions:** n/a  
**Reference:** 75 BUELL/MCCUE TELECON MAR 31  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** ShawDG  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 24 JUN 2003  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <24 JUN 2003 by maginmm>; APPROVED <08 JAN 2004 by ShawDG>  
**Review Markings:**

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
05 JUL 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** AX REDUCTION ACT OF 1975  
**TAGS:** EFIN, ETRD, BD  
**To:** HAMILTON  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006